

REMARKS/ARGUMENTS

Amendments

The claims are modified in the amendment. More specifically, claims 1 and 21 have been amended. No claims have been added or cancelled. Therefore, claims 1-8, 10-19, and 21-22 are present for examination. No new matter is added by these amendments. Applicants respectfully request reconsideration of this application as amended.

Information Disclosure Statement

The Examiner has stated that the information disclosure statement filed 1/23/06 failed to comply with 37 CFR 1.98(a)(3). All references therein provided included an English-language translation and did not need to comply with 37 CFR 1.98(a)(3). As such, Applicants respectfully request Examiner to withdraw the remarks regarding the IDS.

Claim Objections

Claim 21 has been objected to because of the following informalities: "the second handlers is chosen" should be -- the second handlers are chosen --. Claim 21 has been amended, and this objection is now moot. Applicants respectfully request the Examiner to withdraw this objection.

Rejections Under 35 U.S.C. § 112

Claims 1-8 and 21-22 stand as rejected under 35 U.S.C. 112 as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. Claims 1 and 21 have been amended, and these rejections are now moot. Applicants respectfully request the Examiner to withdraw these rejections.

Rejections Under 35 U.S.C. § 103

Claims 1-8 stand as rejected under 35 U.S.C. 103(a) as being unpatentable over U.S. Pat. No. 5,677,955 issued to Doggett ("**Doggett**"), in view of U.S. Pat. No. 6, 575,362 issued to Bator ("**Bator**") and U.S. Pat. No. 5,326,959 issued to Perazza ("**Perazza**"). Applicants respectfully disagree with this rejection, especially in light of the amendments. Reconsideration of this rejection is respectfully requested.

Generally, claim 1 provides a method for transferring a credit amount out of an online system using a payment instrument. In one embodiment, pay-out instructions are received at a server computer from a wide-area computer network coupled to a payor. Credit is then transferred from at least one of two chosen first handlers, associated with the payor, to the online system. Pay-out instructions are then sent to a second handler, and the credit amount is transferred from the temporary stored value fund to the second handler.

Applicants believe the cited sections of Doggett, the cited sections of Bator, and the cited sections in Perazza do not, either alone or in combination, teach or suggest the invention as recited in the claims. More specifically, neither of Doggett or Bator teach or suggest using at least two of the first handlers or choosing the first handlers from a group consisting of a plurality of first handlers as required by claims 1, and dependent claims 2-8. For at least these reasons, Applicants respectfully request reconsideration of the rejection to the claims.

The Examiner admits that Doggett does not include two first handlers. See Office Action, p. 8. Bator teaches a system which is "capable of quickly and efficiently generating and issuing money orders..." Bator at p.4, col. 2, ll. 65-66. Payment through Bator is accomplished by "drawing funds directly from a customer's bank account, by drawing funds from a smart card, or by accepting currency through a bill acceptor." Id. at p.6, col. 5, ll. 15-17. Thus, Bator also does not teach multiple first handlers. Finally, Perazza also does not teach using more than two input handlers. Rather, Perazza "utilizes the high-speed, low-cost, computer-based capabilities of Automated Clearing House systems, and permits the Payer's Bank (usually located in the Bill

Payer's local community) to automatically scan, read and process a Customer Payment Instruction" Perazza at col. 5, ll. 15-19. There is no mention of two input handlers.

Missing Limitation: Multiple Handler Forms

Claim 1 and dependent claims 2-8 also require that multiple forms of first handlers be available. None of the references cited contemplate the use of multiple forms of first handlers to accommodate a wide variety of money handlers. Just as in Doggett, the method of Bator does not accommodate multiple types of money pay-in to the first handler (which, in Bator, would typically be the kiosk), such as airline miles, or commodities. Applicants believe that reliance upon Bator or Doggett to teach multiple forms of first handlers is not reasonably supported.

Claims 10-14 and 16-19 stand as rejected under 35 U.S.C. 103(a) as being unpatentable over U.S. Pat. No. 5,677,955 issued to Doggett, in view of "Paying Electronic Bills Electronically" by Radecki and Wenninger, Current Issues in Economics and Finance, Volume 5, Number 1 (January 1999) (hereinafter "**Radecki**").

Independent claim 10 is believed to distinguish over the cited portions of Doggett because limitations in these claims are neither taught nor suggested by Doggett. More specifically, Doggett does not teach or suggest the use of an internally managed stored-value fund as is required by amended claim 10. For at least these reasons, the Applicants respectfully request reconsideration of the rejection to claims 10-14, and 16-19.

Generally, claim 10 provides a method for transferring a credit amount out of an online system using a payment instrument. In one embodiment, pay-out instructions are received at a server computer from a wide-area computer network coupled to a payor. Credit is then transferred from a first handler associated with the payor to the online system. This credit is stored in a temporary stored value fund which is managed internally by the online system. Pay-out instructions are then sent to a second handler, and the credit amount is transferred from the temporary stored value fund to the second handler.

Of note, claim 10 specifically provides for a temporary stored value fund managed internally by the online system. The specification discloses that the information

pertaining to the money credit in the stored value fund is maintained within the user database. Application at p. 7, ll. 26-28. The specification discloses that the "[m]oney is transferred between the online money transfer system and the handler of the user's choosing. . . . Money could be in any currency, or be anything of monetary value, for example, airline mileage, promotional program points, gift certificate credit, commodities such as gold, etc." Id. at p. 3, ll. 7-14.

Missing Limitation: Stored Value Fund Managed Internally

As admitted by the Examiner, Doggett does not disclose any method for maintaining an internally managed temporary stored value fund. See Office Action, p. 13.

As understood by the Applicants, the Examiner has previously taken the position that the Automated Clearing House (ACH) functions as a temporary stored value fund, an intermediary between the funds being credited to the payee, and debited to the payor. As explained with Doggett, the Federal Reserve's Automated Clearing House "receiv[es] a transaction over the network and then split[s] and rout[es] the debit and credit portions of the transaction to the payer's and payee's banks." Id. at p. 17, col. 2, ll. 20-26. The system described in Radecki also uses an ACH to transfer money between the payor's and the payee's banks. See Radecki, p. 2.

Claim 10 recites a stored value account that is configured in an entirely different fashion. Here, a stored value fund is maintained internally by the online system and remains in place as long as the payee or payor has credit remaining within the stored value account on the online system. After money is paid-in by a payor, the "[m]oney is a credit amount stored as a database entry corresponding to the user." Application at p.3, ll 1-9. "This database entry corresponds to the stored value fund for that user..." Id. at p.3, ll. 9-11. While in Doggett and Radecki, the clearing house is run by a third party to route data and never has money stored within it, in contrast, a fund is maintained internal to the online system to store value in the claimed invention.

Hence, Applicants respectfully request reconsideration and withdrawal of the rejection as to claim 10 and the associated dependent claims 11-19. Applicants believe Doggett and Radecki do not teach the ability for the use of an internally managed temporary stored value fund. Having this ability allows for economical storage of credit between the time of pay-in by the payor and pay-out to the payee in one embodiment. Doggett and Radecki do not teach this ability.

Claims 21-22 stand as rejected under 35 U.S.C. 103(a) as being unpatentable over U.S. Pat. No. 5,677,955 issued to Doggett, in view of U.S. Pat. No. 5,326,959 issued to Perazza.

Independent claim 21 is believed to distinguish over the cited portions of Doggett and Perazza because limitations in these claims are neither taught nor suggested by Doggett or Perazza. More specifically, Doggett and Perazza do not teach or suggest the use of an internally managed stored-value fund as is required by amended claim 21. Further, Doggett and Perazza do not teach or suggest choosing a second handler from a group of multiple second handlers.

Generally, claim 21 provides a method for transferring a credit amount out of an online system using a payment instrument. In one embodiment, pay-out instructions are received at a server computer from a wide-area computer network coupled to a payor. Credit is then transferred from a first handler associated with the payor to the online system. This credit is stored in a temporary stored value fund which is managed internally by the online system. Pay-out instructions are then sent to a second handler, and the credit amount is transferred from the temporary stored value fund to the second handler.

Missing Limitation: Stored Value with Multiple Handler Types

In stark contrast to claim 21, Doggett does not disclose any method for accommodating multiple types of second handlers. Rather, Doggett discloses a method for "effecting a *transfer of funds* from an *account* of a payer in a *funds-holding* institution." Doggett at p.18, col. 3, ll. 4-6 (emphasis added). Here, the transaction data of the payor is verified by "the institution which holds an account of the payee..." Id. at p.18, col. 3, ll. 43-45. Perazza also does not provide multiple second handlers. Perazza "utilizes the high-speed, low-cost, computer-

based capabilities of Automated Clearing House systems, and permits the Payer's Bank (usually located in the Bill Payer's local community) to automatically scan, read and process a Customer Payment Instruction". Perazza at col. 5, ll. 15-19. There is no mention of two second handlers.

As understood by the Applicants, the Office Action takes the position that Doggett teaches that credit amounts can be transferred from a stored value fund to a second handler. However, here, claim 21 requires that multiple forms of second handlers be available. Doggett does not teach the ability to effectuate pay-out in the form of alternative sources of value, such as airline miles or promotional program points. While credit pay-outs under Doggett are based on secured funds held by an institution such as a bank, Applicants' method can effectuate pay-out in a plurality of forms. Perazza does not overcome the lacking disclosure as Perazza only describes transferring money between banks.

Hence, Applicants respectfully request reconsideration and withdrawal of the rejection as to claim 21 and the associated dependent claim 22. Applicants believe Doggett and Perazza do not teach any method for accommodating multiple types of second handlers. Having this ability allows for convenient and efficient pay-out to the payee in whichever form the payee, or in some instances, the payor, requests. Doggett and Perazza do not teach this ability.

Therefore, the rejected claims 21 and 22 are not made obvious by the combination of Doggett and Perazza. Independent claim 21 and its associated dependent claim are believed to distinguish over Doggett and Perazza because limitations in these claims are neither taught nor suggested by Doggett and Perazza. Reconsideration of these rejections is respectfully requested.

Motive for Combining Not Properly Set Forth

Further, Applicants note that while Doggett and Radecki are referenced for the motivation to combine with Bator, Radecki, and Perazza, no cite is given. Office Action, pp. 9, 14, and 20. Because there is no cite, it is unclear to the Applicants where the motivation to combine comes from. Applicants are unclear on how Doggett or Radecki suggests the motivation and respectfully ask for a cite within Doggett and/or Radecki which discloses the

motivation to combine. The only way the combinations of Bator, Perazza, Radecki, and/or Doggett make any sense is to use the Applicants' claims as a template, which is impermissible hindsight reconstruction. Under KSR Int'l. Co., v. Teleflex, Inc., when determining obviousness, there must be "an apparent reason to combine the known elements in the fashion claimed by the patent at issue. To facilitate review, this analysis should be made explicit." Specific reasons for the motivation relevant to the claimed limitations is respectfully requested in any further office action.

For at least the above reasons, Applicants do not believe that either Doggett, Bator, Perazza, or Radecki teach the use of multiple types of first handlers, an internally-managed stored value fund, or multiple second handlers. Reconsideration is respectfully requested.

CONCLUSION

In view of the foregoing, Applicants believe all claims now pending in this Application are in condition for allowance. The issuance of a formal Notice of Allowance at an early date is respectfully requested.

If the Examiner believes a telephone conference would expedite prosecution of this application, please telephone the undersigned at 303-571-4000.

Respectfully submitted,



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